

PROGRESS REPORT

JAPAN-CHINA SECTION, FAR EAST DIVISION, SI OFFICE

APRIL 1946

A. PROGRESS OF CURRENT SSU ACTIVITIES

1. SSU activities in China Theater were scheduled to end by 1 May, but because of the objections launched by the United States 7th Fleet that it would be left in Asiatic waters without adequate coverage, a request was made to the War Department to direct SSU installations to continue operations. The Commander of the 7th Fleet indicated that the intelligence gathered by SSU teams was of a high quality and the only source of information upon which any reliance might be put.

2. The War Department approved of a continuation of operations for twelve to eighteen months, stipulating that there must be no personnel expansion in the field.

3. Because many SSU people, both civilian and service, have been in China since before the end of the War in the Far East, some 100 persons will be returning to the United States for termination. Persons to be replaced include the Chief of SI, investigators capable of commanding field teams, and SI field agents and intelligence officers. Chinese translators, O3 officers, and clerk stenographers are also required. Replacements will be spread over the months from May to August. About 30 of these replacements must be found from within the Washington organization. As of present date, seven recruits are awaiting transportation, of whom two will leave by air on 15 May; twelve others are being processed.

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B. PROGRESS OF ACTIVITIES TO BE CONTINUED IN PEACETIME

1. Despite the extensive replacement program for SSU in China, long-range peacetime undercover projects have been written and personnel screened for specific intelligence jobs in China. The first project plan for China has received CIG approval and the agent will begin his final period of training and briefing before departing on his assignment.

2. During the month of April an undercover plan was drawn up using diplomatic cover. This plan was approved and the agent sent on his mission.

3. Two further plans were written for undercover work and security checks requested. Plans for briefing, financing, and training were inaugurated.

4. A plan for a strictly undercover communications system was written, but it was believed that the time was not yet ready to implement the project. The plan will be presented to CIG for consideration during the month of May.

C. INTELLIGENCE COVERAGE

1. Extent of Operational Coverage

The inactivation-reactivation interim saw the liquidation of the following Far East SI detachments: Hankow, Formosa, Hanoi, and Nanking. Nanking, however, was reopened in the latter part of April and is currently operating.

Withstanding the appreciable operational difficulties and personal inconveniences of this period (severing and restoring contacts, packing and unpacking, unrigging and re-rigging communications, making and abandoning plans for returning to the States), the following detachments functioned throughout the month of April:

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